

**California Department of Food and Agriculture****Farm Bill Listening Sessions****Comments presented by:****Doug Mosebar, President****California Farm Bureau Federation****August 1, 2006**

My name is Doug Mosebar and I am the President of the California Farm Bureau Federation. I also farm hay, squash, flowers and pumpkins, and raise cattle in the Santa Ynez Valley.

I am proud to represent 88,000 California Farm Bureau member growers, consumers and supporting businesses as we work together to protect, enhance and promote California family farms and ranches.

With the recent stall in the World Trade talks it is hard to say how Congress will react when drafting the next farm bill. The bill must incorporate a myriad of programs that foster the growth of California agriculture in a new economic and political climate. The plan must be innovative to keep California farmers and ranchers on the map.

Our global competitors pay a tenth of what we do in wages and do not face the same regulations that we do as producers. We do not support lower wages or the degradation of the environment, but we must recognize the competitive market we are in, and create a farm bill that gives us the tools to compete.

These tools include access to cutting edge research, marketing programs, conservation programs that support working lands and thorough detection and prevention efforts to keep pests and diseases out of our country. Our value reaches far beyond the farm and it is crucial that everyone recognize what agriculture brings to California. It is the basis for thousands of jobs related to processing plants, science, technology, transportation, harvesting, marketing and more.

We must think beyond the traditional approach and look at the farm bill as an opportunity to build programs that will meet the many different needs of consumers and the environment, farmers and the commodities they produce, not just for today, but for the future. The new farm bill must include reasonable and thoughtful policies that recognize the value of all farm and ranch commodities large and small, traditional and specialty.

***I have today seven Farm Bill Priorities I would like to put forward for your consideration***

- **On Market Access** - Reaching foreign consumers is where we need to put our efforts to ensure that our products have a place on the dinner table. The current \$200 million for the Market Access Program (MAP) is not sufficient to make a difference in foreign markets in the future.
- **On Conservation** - The Conservation Title should expand on the success of the Environmental Quality Incentives Program, Wildlife Habitat Incentives Program and the Conservation Security Program by providing more funding. It should further encourage and foster the continued emergence of market opportunities for trading and reducing greenhouse gas emissions in the 2007 Farm Bill. These programs provide the tools and funding necessary to build infrastructure that we cannot afford on our own.
- **On Research** - We are facing limited resources and labor supply; therefore, we must invest in research in mechanization, technology and better resource management tools and make it affordable for our producers. To achieve this Farm bill dollars should be invested in the University of California's cooperative extension; it is the vehicle for information and tools to get to, and from, the field.
- **On Nutrition** - We want to get kids on the right path to making better decisions when it comes to deciding what to eat. By expanding the fruit and vegetable snack program to 100 schools in every state, students will have more alternatives and will be on the road to eating better.
- **On Pest and Disease Detection** - With an increase in people and trade we must assess if the manpower and knowledge needed to detect and test for pests and diseases that come through our points of entry is adequate. If not, the farm bill must provide funding to support what is needed to keep our points of entry safe from pest and disease introductions.
- **On Program Commodities** - We need to recognize the contribution that program commodities provide the state. Before changing the traditional safety net programs we should evaluate what impact this will have on the marketplace and other commodities, and what contribution these crops make to the environment and rural communities.
- **Specialty Crop Block Grants** - CFBF would like to see more Specialty crop block grant funding directed towards research on environmental stewardship, markets, and the development of new technologies and products so that California commodities may adjust to meet consumer demands, and so that our farmers can compete with the rest of the world.

***Opening New Markets***

Of California's \$32 billion agricultural industry, \$10 billion is exported around the world. We saw the importance of trade when one "mad cow" was discovered in Washington in 2004, and the beef industry lost 63% of its sales, compared to exports in 2003, prior to the find.

Foreign producers recognize the importance of foreign markets. Brazil and China are not only competitive in our own backyard, but they will be our biggest competitors in Asian markets, where there is the greatest growth potential in the future.

We know that the dollars spent on opening new markets leads to more sales abroad. Every one-dollar invested in the Market Access Program, Technical Assistance for Specialty Crops and Foreign Market Development equals \$25 in additional trade.

The current \$200 million for MAP is not sufficient to make a difference in foreign markets in the future. Reaching foreign consumers is where we need to put our efforts to ensure that our products have a place on the dinner table.

### ***Conservation***

Farmers and ranchers are California's best hope for improving the environment. Conservation programs should be forward-thinking, incentive-based programs that allow for working lands that promote habitat for species, carbon sequestration, air and water quality, renewable fuels, and encourage other environmentally-friendly practices.

The Farm bill should expand on the success of the Environmental Quality Incentives Program, Wildlife Habitat Incentives Program and the Conservation Security Program by providing more funding. It should further encourage and foster the continued emergence of market opportunities for trading and reducing greenhouse gas emissions in the 2007 Farm Bill. These programs provide the tools and funding necessary to build infrastructure that we cannot afford on our own.

### ***Environmental Quality Incentives Program (EQIP)***

One of California's great successes is our use of EQIP dollars. We just can't get enough. We have leveraged these funds with other program dollars and we have been able to implement multiple projects to improve California's farms and ranches.

Marin County just completed a program that resulted in the implementation of 34 conservation practices on dairies and ranches. EQIP funding was partnered with funding from the State Water Resources Control Board and State Coastal Conservancy. The funding helped agricultural producers install gutters on dairy barns, bioengineered stream bank repairs, creek fencing, gully repairs, filter strips, manure irrigation equipment, and composting equipment, to name a few.

These on farm improvements ultimately improved water quality. Funding was also used to measure the effectiveness of the installations. All told, roughly \$685,000, including \$200,000 of EQIP dollars, and grower contributions totaling \$175,000 was spent. This doesn't include the time spent by NRCS technicians on these projects.

EQIP dollars were also used in vineyards to plant cover crops for erosion control, line waterways, and install underground outlets, stream bank protections, riparian corridor improvements, grade stabilizations, and sediment basins. These practices all prevent sediment delivery to stream channels and improve riparian habitat.

By utilizing grower matching funds with San Joaquin Valley Air District's \$24.3 million in EQIP monies, the district was able to reduce 7,000 tons of particulate matter, and approximately 3,500 tons NOx and VOCs through orchard and vineyard pruning and chipping removal, diesel engine retrofits and replacement and unpaved road dust suppression.

### ***Greenhouse Gas Emissions Reduction Program***

Market-based solutions to global environmental challenges such as global warming offer a new income opportunity to farmers. It is critically important to begin preparing the basis for American farmers to participate in these new income opportunities. Specifically, American agriculture has an enormous potential to earn income while helping mitigate greenhouse gas (GHG) emissions that can contribute to global climate change. Soil carbon sequestration through conservation tillage practices; tree and grass plantings, the combustion and capture of agricultural methane and the use of renewable fuels such as ethanol and biodiesel are some of the main sources of opportunity. Implementation of these conservation practices could potentially produce additional income for the U.S. agricultural sector through payments for carbon credits. These practices simultaneously promote the USDA's mission of helping American producers reduce risk, diversify their income streams, improve productivity and promote long-term sustainability and health of U.S. farmland.

USDA is currently providing incentives and supporting voluntary GHG reduction actions by private landowners through the portfolio of conservation programs administered by the Department. USDA's actions include financial incentives, technical assistance, demonstrations, pilot programs, education and capacity building, along with measurements to assess the success of these efforts. In addition, there are a number of other public and private GHG trading programs and activities in which farmers and ranchers are engaged worldwide.

However, to further encourage these private and public efforts we believe that USDA should encourage and foster the continued emergence of market opportunities for trading and reducing greenhouse gas emissions in the 2007 Farm Bill.

### ***Funding for Research***

Research is the foundation for the execution of innovative methods to manage resources and people, and in resolving pest and disease problems. Additional research to develop more advanced technology and management practices is critical to the long-term viability of family farms and ranches. Holland's investment in technology is evident in what they have done for the greenhouse nursery industry. Automated temperature controlled rooms, rotating plant tables and timed irrigation that can be managed by the click of a button from someone in Half Moon Bay or Europe is one example. Holland recognized that they had limited resources; land availability and labor supply and so invested in technology and research. We are facing these same issues and must invest in mechanization, technology and better resource management tools.

We need to further develop technology that is affordable for our producers. The University of California's cooperative extension is where we should be investing farm bill dollars. It is the vehicle for information and tools to get to, and from, the field.

### ***Pest and Disease Threats***

Backyards and farms suffer from the impacts of foreign pests and diseases brought by cargo and people traveling to California.

We continually face threats such as Avian Influenza, citrus canker, sudden oak death and other unknowns. Detection and prevention at our points of entry not only benefit our producers but they protect city dwellers, consumers, species and the environment.

In an effort to shield our plants, animals and environment, we need to re-evaluate the allocation of resources within APHIS and the Department of Homeland Security for pest and disease detection. We must assess if the manpower and knowledge needed to detect and test for pests and diseases that come through our points of entry are in place, and if not, the farm bill must provide mandatory dollars to put the necessary people in place.

### ***Nutrition***

Two-thirds of Americans are overweight. The average intake of fruits and vegetables amounts to two cups of broccoli a day (source: Wall Street Journal). This is a start but we must do more. We want to get kids on the right path for making better decisions when it comes to deciding what to eat. We want people to learn to enjoy what we produce.

By expanding the fruit and vegetable snack program to 100 schools in every state students will have more alternatives and will be on the road to eating better.

### ***Specialty Crop Block Grants***

CFBF would like to see more Specialty crop block grant funding directed towards research on environmental stewardship, markets, and the development of new technologies and products so that California commodities may adjust to meet consumer demands, and so that our farmers can compete with the rest of the world.

### ***California's Perspective on the Current Farm Programs***

Although a vast majority of our crops do not fall into the traditional farm programs, many of our producers do grow both program commodities and specialty crops. Before acting too quickly to change these programs, we must understand what impact changes may have on rural communities, especially if there is a change in the safety net payment programs.

If so, what impact will reduced payments have on other commodities? Would the shift result in the flooding of a certain commodity on the market? What are the environmental benefits that these crops produce? Obviously there are a lot of unanswered questions, but most importantly, we must analyze how these types of changes will affect our ability to compete around the world.

Change is inevitable. As a result of the Brazil cotton case, cotton producers are taking the necessary steps to reform export subsidies and the Step 2 program. Due to the international issues and fluctuations in the market, the cotton growers that are left in California are transitioning from Acala to the higher-valued, Pima Cotton. The United States is the world's largest exporter of Pima, with most of that coming from California. China is our biggest consumer, but the market continues to show potential. This proves that our growers are resourceful and flexible in uncertain times.

### ***Closing***

As I stated in the beginning, the next farm bill must incorporate a myriad of programs that foster the growth of California agriculture in a new economic and political climate. We must create an innovative plan to keep California family farms and ranches on the map.

Thank you for your time.